

GOVERNMENT OF ANDHRA PRADESH  
**ABSTRACT**

Andhra Pradesh State Financial Corporation - Guarantees – Government Guarantee to the repayment of Principal and payment of Interest in respect of Bonds of Rs.200 Crore to be raised in the market by Andhra Pradesh State Financial Corporation - Orders - Issued.

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INDUSTRIES & COMMERCE (IF CELL) DEPARTMENT

**G.O.Ms.No.251**

**Dated : 15-09-2008**

Read :-

From the Managing Director, File No.APSFC/  
F&A/07-08, Dated 17-04-2008.  
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**ORDER :-**

In the reference read above, the Managing Director, Andhra Pradesh State Financial Corporation, Hyderabad has requested the Government, to accord guarantee from Government of Andhra Pradesh, in respect of issue of Non-SLR Bonds to the tune of **Rs.200 Crore (Rupees Two hundred crore only)** for repayment of principal and interest thereon repayable over a period of 10 years, carrying interest of around 9.00% per annum without insisting for Guarantee Commission.

2) The Government after careful examination of the proposal of the Managing Director, Andhra Pradesh State Financial Corporation, Hyderabad, hereby stands guarantee for repayment of Principal and payment of Interest in respect of Non-SLR Bonds to be floated by Andhra Pradesh State Financial Corporation for a sum of Rs.200 crore and repayable over a period of 10 years, by charging one per cent Guarantee Commission. The Guarantee is unconditional and irrevocable and shall be in force until these bonds issued by the Andhra Pradesh Financial Corporation are redeemed.

3) The APSFC shall pay Guarantee Commission at the rate of 1% for the entire guarantee period.

4) The APSFC shall credit the 1% Guarantee Commission to MH.0075-Misc.General Services – 108.Guarantee Commission – SH(01). Commission for Guarantee given by State Government, before execution of Guarantee deed.

5) This order issues with the concurrence of Finance (DMC) Department vide their U.O.25978/222/DMC/2008, dt.06-09-2008.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**B. SAM BOB**  
**PRL.SECRETARY TO GOVERNMENT.**

To  
The Managing Director,  
A.P.State Financial Corporation, Hyderabad.  
The Accountant General, A.P., Hyderabad.  
The Reserve Bank of India, Hyderabad.

**Copy to:**

PS to Addl.Secretary to Chief Minister.  
PS to Chief Secretary.  
PS to Minister of Major Industries.  
PS to Pri.Secretary & CIP, Industries & Commerce Department.  
Finance (Expr. I&C) Department.  
Finance (DMC) Department.  
The General Administration (Cabinet) Deptt.  
SF/SC (C.No.5489/IF Cell/A1/2008)

//Forwarded :: By Order//

SECTION OFFICER.